

31A-40-201 Enforceable rights and obligations.

- (1) In a coemployment relationship under a professional employer agreement:
 - (a) a professional employer organization:
 - (i) may only enforce a right of an employer that is specifically allocated to the professional employer organization under the professional employer agreement or this chapter; and
 - (ii) is subject only to an obligation of an employer specifically allocated to the professional employer organization by the professional employer agreement or this chapter; and
 - (b) a client:
 - (i) may enforce a right of an employer:
 - (A) allocated to the client in the professional employer agreement or this chapter; or
 - (B) not specifically allocated to the professional employer organization under the professional employer agreement or this chapter; and
 - (ii) is subject to an obligation of an employer:
 - (A) allocated to the client by the professional employer agreement or this chapter; or
 - (B) not specifically allocated to a professional employer organization by the professional employer agreement or this chapter.- (2) A right or obligation of a professional employer organization as a coemployer of a covered employee is limited to a right or obligation arising pursuant to the professional employer agreement and this chapter during the term of coemployment of the covered employee by the professional employer organization.

Enacted by Chapter 318, 2008 General Session